IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

RICHARD HRENIUK, Derivatively on Behalf of VIRBAC CORPORATION	§ § §	
v.	§ §	Case No.: 4:04 CV-133-Y (Consolidated with 4:04 CV-134-Y)
THOMAS L. BELL, et al.	§ §	
-and-	§ §	
PETER LINDELL	§ §	
v.	§ §	
THOMAS L. BELL, et al.	§	

JOINT MOTION FOR ENTRY OF
AGREED JUDGMENT DISMISSING ACTION

The Plaintiffs, Richard Hreniuk and Peter Lindell, and the Defendants, Virbac, S.A. ("VBSA"), Pascal Boissy, Eric Maree, Pierre Pages DVM, Michael Garaudet, Alec L. Poitevint, II, Jean Willk, Richard Pickert, Thomas L. Bell, Joseph A. Rougraff, and Virbac Corporation ("Virbac") (collectively, "Defendants"), jointly move for the entry of an agreed judgment dismissing this Action.

1. This Action has two separate claims. The first claim is a derivative claim alleging misconduct in connection with events leading up to Virbac's announcement in November 2003 that it would delay the release of its quarter and nine months ending September 30, 2003 financial results, pending completion of an internal investigation by the Audit Committee of the Board. The second claim alleges, on behalf of a putative class of

Virbac shareholders, that the original tender offer made by Virbac, S.A. ("VBSA") on August 18, 2006 for $5.25 per share was unfair to the public shareholders.

2. On October 31, 2006, VBSA, through Labogroup Holdings, Inc., announced that it had successfully completed a cash tender offer for approximately 8,406,393 shares of Virbac at $5.75 per share. As a result of the tender, VBSA owned approximately 97.29% of the shares of Virbac.

3. On November 13, 2006, VBSA acquired the remaining shares by a Delaware short form merger, again for $5.75 per share[1]. As a result of the tender and merger, Virbac is now a wholly-owned subsidiary of VBSA and there are no public shareholders of Virbac.

4. Because of these actions, the parties agree that the derivative claims are now moot. Defendants contend that under Delaware law, a plaintiff must continuously own a corporation's stock in order to assert a derivative claim on behalf of that corporation. *See Lewis v. Ward*, 852 A.2d 896, 900-02 (Del. 2004). Defendants assert, and Plaintiffs do not contest in the circumstances of this case, that because Plaintiffs no longer own any Virbac stock they no longer have standing to assert a derivative claim.

5. In its second claim, Plaintiffs complained that VBSA's intention to offer $4.15 per share in a tender and VBSA's actual opening offer of $5.25 per share was unfair to public shareholders. Plaintiffs also alleged that the disclosures contained within VBSA's tender offer were inadequate. Because the ultimate offering price was $5.75 per share, $1.00 per share higher than the price VBSA announced that it intended to offer and 50 cents per share higher than its actual opening offer, and further because the sufficiency of the disclosure was

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[1] A true and correct copy of the Certificate of Merger is attached as Exhibit A.

addressed by the Court (Docket No. 180), Plaintiffs agree that the fair value claims are now moot.

6. Defendants agree that Plaintiffs' assertion of the derivative claims and the fair value claims materially influenced the conduct of the Board of Virbac and influenced the course of the tender offer. Under prevailing Delaware law, the parties agree that Plaintiffs' counsel is entitled to a fee for its services and for the benefit these services have provided Virbac shareholders. After intense, arms-length negotiations, VBSA has agreed to pay $200,000 to Plaintiffs' counsel, subject to this Court's approval. There are no other agreements made in connection with this Joint Motion.

7. The proposed judgment dismissing this action is without prejudice to any claim that could be asserted by former Virbac shareholders, except for the named plaintiffs, whose claims will be dismissed with prejudice. Because no member of any putative class is bound by this judgment, no notice is required. *See* Fed. R. Civ. P. 23 (e)(B).

Accordingly, the parties respectfully request that the Court approve this voluntary dismissal and enter the proposed judgment dismissing this action and awarding the agreed-upon attorneys' fees.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on December 13, 2006, I electronically filed the foregoing document with the Clerk of Court for the U.S. District Court, Northern District of Texas, using the electronic case filing system of the Court. The electronic case filing system sent a "Notice of Electronic Filing" to the following attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means. All others were served a copy via U.S. mail:

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/s/ *Charles W. Schwartz*
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EXHIBIT A

Delaware

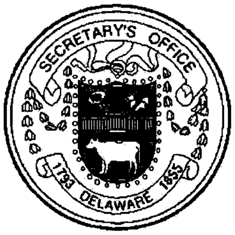
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"LABOGROUP HOLDING, INC.", A DELAWARE CORPORATION,

WITH AND INTO "VIRBAC CORPORATION" UNDER THE NAME OF "VIRBAC CORPORATION", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE THIRTEENTH DAY OF NOVEMBER, A.D. 2006, AT 8 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

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AUTHENTICATION: 5188446

DATE: 11-13-06

State of Delaware
Secretary of State
Division of Corporations
Delivered 08:05 AM 11/13/2006
FILED 08:00 AM 11/13/2006
SRV 061033937 - 4064746 FILE

CERTIFICATE OF OWNERSHIP AND MERGER MERGING LABOGROUP HOLDING, INC. WITH AND INTO VIRBAC CORPORATION

(Pursuant to Section 103 and 253 of the General Corporation Law of the State of Delaware)

Labogroup Holding, Inc., a Delaware corporation (the "Corporation"), does hereby certify:

FIRST: that the Corporation was incorporated on the 21st day of November 2005, pursuant to the Delaware General Corporation Law, as amended (the "DGCL").

SECOND: that the Corporation owns more than 90% of the outstanding shares of common stock, par value $.01 (the "Shares"), of Virbac Corporation, a Delaware corporation ("Virbac Corp."). The Shares constitute the only issued and outstanding class of stock of Virbac Corp.

THIRD: that the Corporation, by resolutions of its Board of Directors duly adopted by unanimous written consent in lieu of meeting dated as of November 13, 2006, determined to merge and authorized the merger of itself with and into Virbac Corp. on the conditions set forth in such resolutions. Such resolutions are set forth below and have not been modified or rescinded and remain in full force and effect on the date hereof:

> **WHEREAS,** the Corporation owns in excess of 90% of the outstanding shares of common stock of Virbac Corporation, a Delaware corporation ("Virbac Corp."), and may effect a short form merger pursuant to Section 253 of the DGCL and the terms of a Tender Offer and Merger Agreement, dated August 10, 2006, by and among Virbac S.A. ("Virbac S.A."), Interlab S.A.S., ("Interlab"), the Corporation and Virbac Corp., as amended by an Amendment to Tender Offer and Merger Agreement, dated October 13, 2006 (the "Merger Agreement").
>
> **WHEREAS,** it is deemed to be in the best interests of the Corporation and its shareholders that it merge with and into Virbac Corp.
>
> **NOW, THEREFORE, BE IT RESOLVED,** that the Corporation merge with and into Virbac Corp., upon the terms and conditions set forth below:
>
> 1. Merger. The Corporation shall be merged with and into Virbac Corp. (the "Merger") in accordance with Section 253 of the DGCL and pursuant to the terms of the Merger Agreement, and Virbac Corp. shall be the surviving company (hereinafter sometimes referred to as the "Surviving Company") in the Merger. A Certificate of Ownership and Merger under Section 253 of DGCL to effectuate the Merger shall be filed with the Secretary of State of the State of Delaware as soon as practicable. The date and time of filing with the Secretary of State of Delaware shall be the "Effective Time" of the Merger.

2. Governing Documents. At the Effective Time, the Certificate of Incorporation of the Surviving Company shall be amended and restated to read in full as set forth in the "Amended and Restated Certificate of Incorporation of Virbac Corporation" atttached as Annex A hereto. The By-laws of the Corporation in effect immediately prior to the Effective Time shall be the By-laws of the Surviving Company after the Effective Time.

3. Directors. The directors of the Corporation at the Effective Time shall be the directors of the Surviving Company. Such directors will hold office from the Effective Time until the earlier of their resignation or removal or until their respective successors are duly elected or appointed and qualified, as the case may be.

4. Officers. The officers of Virbac Corp. at the Effective Time shall be the officers of the Surviving Company. Such officers will hold office from the Effective Time until the earlier of their resignation or removal or until their respective successors are duly elected or appointed and qualified, as the case may be.

5. Succession. As of the Effective Time, the name of the Surviving Company shall be Virbac Corporation and the Surviving Company shall possess all of the rights, privileges, immunities and franchises, and shall be responsible and liable for all the liabilities and obligations, of the Corporation and Virbac Corp., as set forth in Section 259 of the DGCL.

6. Further Assurances. From time to time, as and when required by the Surviving Company or by its successors or assigns, there shall be executed and delivered on behalf of the Corporation such deeds and other instruments, and there shall be taken or caused to be taken by it all such further and other action, as shall be appropriate, advisable or necessary in order to vest, perfect or confirm, of record or otherwise, in the Surviving Company the title to and possession of all property, interests, assets, rights, privileges, immunities, powers, franchises and authority of the Corporation, and otherwise to carry out the purposes of these resolutions, and the officers and directors of the Surviving Company are fully authorized in the name and on behalf of the Corporation or otherwise, to take any and all such action and to execute and deliver any and all such deeds and other instruments.

7. Conversion of Shares. As of the Effective Time:

(a) Corporation Common Stock. Each share of the common stock of the Corporation issued and outstanding immediately prior to the Effective Time shall be converted into and become one validly issued, fully paid and nonassessable share of common stock, of the Surviving Company.

(b) Cancellation of Treasury Stock and Stock Owned by Virbac .S.A and its subsidiaries. Any shares of Virbac Corp. common stock that are issued and outstanding immediately prior to the Effective Time and owned by

Virbac Corp. as treasury stock, any shares of Virbac Corp. common stock issued and outstanding immediately prior to the Effective Time and owned by any subsidiary of Virbac Corp. and any shares of Virbac Corp. common stock issued and outstanding immediately prior to the Effective Time and owned by Virbac S.A., Interlab, the Corporation or any other direct or indirect subsidiary of Virbac S.A. shall be canceled and retired and shall cease to exist and no consideration shall be delivered in exchange therefore.

(c) Conversion of Shares. Each share of Virbac Corp. common stock issued and outstanding immediately prior to the Effective Time (other than shares of Virbac Corp. common stock to be cancelled in accordance with Section 6(b) hereof and any Dissenting Shares (as defined in the Merger Agreement)), shall be converted into the right to receive $5.75 per share payable to the holder thereof, without interest (the "Merger Consideration"), upon surrender of the certificate which immediately prior to the Effective Time represented such share. All such shares, when so converted, shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each holder of a certificate which immediately prior to the Effective Time represented any such shares shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration therefore upon the surrender of such certificate, without interest.

(d) No transfer of shares of Virbac Corp. common stock outstanding immediately prior to the Effective Time shall be made on the stock transfer books of the Surviving Company after the Effective Time. If after the Effective Time, certificates representing Virbac Corp. common stock are presented to the Surviving Company, they shall be exchanged for the Merger Consideration.

8. Amendment. The Corporation, by consent of its Board of Directors, may amend this resolution at any time prior to the Effective Time; provided, however, that no such amendment shall (i) alter or change the amount or kind of Merger Consideration to be received by former holders of Virbac Corp. common stock or (ii) without the approval of the stockholders of the Corporation either (A) alter or change any term of the Certificate of Incorporation of the Surviving Company to be effected by the Merger, or (B) alter or change any of the terms and conditions of this resolution if such alteration or change would adversely affect such stockholders.

9. Termination. Subject to the provisions of the Merger Agreement, the Merger and other transactions herein provided for may be terminated at any time prior to the Effective Time, by action of the Board of Directors of the Corporation.

10. Governing Law. This Merger shall be governed by, and construed in accordance with the laws of the State of Delaware.

FOURTH: that the sole stockholder of the Corporation has approved the merger of the Corporation with and into Virbac Corp. by written consent in lieu of a meeting dated as of November 13, 2006, pursuant to section 228 of the DGCL (which consent also included waiver of notice in accordance with DGCL section 229).

IN WITNESS WHEREOF: This Corporation has caused this Certificate to be signed by Eric Marée, its President this 13 day of November 2006.

LABOGROUP HOLDING, INC.

By: ______________________________
Eric Marée
President

Annex A

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

VIRBAC CORPORATION

ARTICLE 1

The name of the corporation is:

VIRBAC CORPORATION.

ARTICLE 2

The address of the corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington 19801, County of New Castle. The name of the corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE 3

The purpose of the corporation is to engage in any part of the world in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE 4

The total number of shares of stock which the corporation shall have authority to issue is 10,000, all of which shall be common stock, and the par value of each such share shall be $.001.

ARTICLE 5

In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to adopt, amend or repeal the bylaws of the corporation; provided, however, that such authorization shall not divest the stockholders of the power or limit their power to adopt, amend or repeal the bylaws of the corporation.

ARTICLE 6

Meetings of stockholders may be held within or outside the State of Delaware, as the bylaws of the corporation may provide. The books of the corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the bylaws of the corporation. Election of directors need not be by written ballot unless the bylaws of the corporation so provide.

ARTICLE 7

The corporation shall have the power to indemnify its directors, officers, employees or agents to the full extent permitted by the General Corporation Law of the State of Delaware and the bylaws of the corporation, as now in force or hereafter amended.

ARTICLE 8

No director shall be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director except as provided for in Section 102(b)(7) of the General Corporation Law of the State of Delaware, as now in force or as hereafter amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

ARTICLE 9

The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation in the manner now or hereafter prescribed by the laws of the State of Delaware, and all rights and powers conferred upon stockholders herein are granted subject to this reservation.